



THE GRAND BHAGWATI
HOTELS • BANQUETS • CONVENTIONS • CLUB

Date: 22.06.2020

To,
Bombay Stock Exchange Limited
Corporate Service Department
Floor 25,
P.J Towers,
Dalal Street,
Mumbai-400001
BSE SCRIP ID-"532845"

National Stock Exchange of India Limited
Corporate Communication
Exchange Plaza,
Bandra-Kurla Complex,
Bandra(East)
Mumbai-400051
NSE CODE - "TGBHOTELS"

Sub: Impact of the COVID- 19 pandemic on the business

With reference to Circular bearing Ref. No. SEBI/HO/ CFD/CMD1/CIR/P/2020/84 issued by the Securities and Exchange Board of India on May 20, 2020, we would like to inform you the impact of Covid-19 pandemic on the company.

The Company is into the Hotel, Restaurant and Accommodation Service which belongs to Hospitality, Travel & Tourism Industries. Our Industry is largely affected during the lockdown as all the tourism verticals have been severely impacted by the crises; however, the gigantic jolt has been to the hospitality industry. All of our Members have reported cancellations reaching a critical stage of up to 100% and, forward booking, which could have helped, has gone to almost negligible, with the news of disease spreading globally. The Meetings, Incentives, Conferences and Events (MICE), wedding tourism, all kinds of celebrations, medical tourism, medical room reservations and wellness sectors have been severely affected. The Hospitality sector comprising of Hotels and Restaurants are facing a catastrophic situation with revenues plunging overwhelming and almost reaching to zero.

Ability to maintain operations including the factories / units / office spaces functioning and closed down

We would further inform that our registered office and operations are mainly located in the Region of Ahmedabad, Gujarat where there was a complete lockdown till May 31, 2020 for the Hotel Industry. During this tenure, the government has granted to serve foods through the Food Delivery Aggregators i.e. Zomato and Swiggy. However, Company has complied off all the precautionary measures of hygiene and social distancing while serving food through the delivery partners.



TGB BANQUETS AND HOTELS LIMITED

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CIN : L55100GJ1999PLC036830

Schedule, if any, for restarting the operations

Government had given consent for operations for the Hotel and Restaurant from June 08, 2020. In case of accommodation service and the in dine restaurant service company is evaluating the possibilities to reopen the operations in line with the notifications or guidelines issued by the Local Authorities, State Government or the Central Government Authorities.

Steps taken to ensure smooth functioning of operations.

Government had issued guidelines for the Operations of the Restaurants and Accommodation service, so our company is planning to retrieve all operations with the all precautionary measures and the social distancing and will religiously follow all the guidelines as issued by the Ministry of Home Affairs, State Governments and Local Authorities as applicable. The company will resume operations and compliance with limited resource.

Estimations of the future impact of CoVID-19 on its operations

As estimated by the promoter, the during the second half of the Year 2020-21, the company will achieve a good amount of business which will not only neutralize the loss incurred during the Lockdown but also have some surplus in hand of the company.

Details of the Impact on CoVID-19 on its operations

Capital and financial resources	Government have given an aid in financial resources, the same can be received from the current bankers as our company comes under an ambit of MSME under new provisions introduced during the CoVID-19.
Profitability	The company's profitability will be affected during the period of lockdown, thereafter company is estimating recovery of loss incurred during the lockdown along with the profit in the end of the year.
Liquidity position	The working capital requirement of our company will increase because the payment towards the manpower, utility payments, Insurance, Interest and other maintenance expenses has to be incurred even if the operations resumed or not. Therefore the liquidity of the company will be highly affected during the period of lockdown due to CoVID-19 pandemic. On revival of operation, liquidity issues will be resolved.
Ability to service debt and other financing arrangement	The Reserve Bank of India have declared the 6 months moratorium i.e. initially 3 months (March, April and May) and then 3 months (June, July and August) during the relief given in CoVID-19 scenario. However, the moratorium will be at the extra financial cost which had to be served up to March 31, 2020. Further, the commitment towards the Interest and capital payment will be served after completion of moratorium and on resumption of the operations. The company is able to repay its debt once operations have been started.
Assets	There will not be any impact on the Assets of the company.
Internal Financial	There will not be any impact on the Internal Financial reporting and Control of



Reporting and Control	the company. As the same was applied and no compromise has been done.
Supply chain	The company will not be affected under any supply chain problem as the raw material is largely available in local and global market.
Demand for its services	Yes, impact on the Restaurant Business, Accomodation service and the Banqueting service for Business and Social function will be there due to restriction of the Government for gathering above certain number of people as described.
Inventories	

Financial Statements:

The financial statements to be submitted under Regulation 33 of the LODR, shall also specify the impact of the CoVID-19 pandemic on the Company, to the extent possible. In developing the assumptions and estimates relating to the future uncertainties in the economic conditions because of this pandemic, the Company shall use internal and external sources of information and based on current estimates, the impact of the global health pandemic may be different from that estimated and the Company would continue to closely monitor any material changes to future economic conditions.

This update is dynamic and will change as the situation changes, which is not in the control of the Company.

Further, there will not be any impact on the existing contracts / agreements as they will not affect in any way to the company.

You are requested to update records accordingly.

Thanking you,

Yours faithfully,

For, TGB Banquets and Hotels Limited



CS Priyanka Gola
Company Secretary & Compliance Officer

Place: Ahmedabad